



Minnesota Housing eNews Alert

November 19, 2009

Extension & Hold Fees with recent Mortgage Backed Securities (MBS) Transition

Now that the transition to the MBS business model is complete, lenders will be charged extension and hold fees as outlined in the procedural manual for all loan purchases as of December 1, 2009. Extension and hold fees will be charged to lending partners not meeting indicated time frame deadlines within our procedural manual.

As a reminder, our Commitment period extends from the date of electronic commitment until the date of the arrival of the closed loan package at the Master Servicer's place of business.

Commitment extension fees will be charged as indicated in the following table:

Construction Type	Free Commitment Period	First Extension Terms	Second Extension Terms	Cancellation
Existing Construction	75 days	At day 76 a fee of .50% is assessed	At day 106 a fee of .50% is assessed	Day 136
New Construction	115 days	At day 116 a fee of .50% is assessed	At day 146 a fee of .50% is assessed	Day 176

Hold fees will be charged for any purchase package where documents to cure all exceptions were not provided to U.S. Bank Home Mortgage - MRBP Division within 14 days of exception notification. Hold fees will accrue at .125% of the loan amount, weekly, until the exception is cured.

Any extension or hold fees will be deducted (netted) from the price of the loan at the time U.S. Bank purchases your loan.

Federal Tax Credit Extension

Earlier this month, the \$8,000 federal tax credit for first-time homebuyers was extended until April 30, 2010.

As with the 2009 federal tax credit for first-time homebuyers, borrowers are able combine the \$8,000 federal tax credit with a Minnesota Housing first-mortgage loan. However, Minnesota Housing will not monetize the federal tax credit through a junior lien or tax credit purchase program.

For more information on the federal tax credit, visit the [Internal Revenue Service \(IRS\) website](#).

Training Opportunity for MBS Transition - Webinar

Minnesota Housing staff, along with a representative from our Master Servicer, U.S. Bank Home Mortgage - MRBP Division, will present a Webinar on the Mortgage Loan Programs (MMP, CASA, HAF) which will include changes to process due to our recent transition to the MBS structure.

This training is for Managers, Loan Officers, Processors, Loan Specialists, Underwriter, Closers, Post Closers, Shippers, and Final Documents Staff who work with Minnesota Housing mortgage loan programs and have not yet been trained in the MBS structure.

[Register for the Webinar](#) - Wednesday, December 9, 12:45 p.m. to 4:30 p.m.

Questions?

Single Family Division Help Desk
651.296.8215 or 800.710.8871 (toll-free)
7:30 a.m. to 5:00 p.m. (business days)